

Appendix E

**Housing and Technical Resources - HRA Variance Analysis 2017/18 (Period 14)**

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Employee Costs	401k under	APT&C Basic / Superannuation / National Insurance - 445k under	HRA	This underspend reflects the turnover levels incurred within the service.
Property Costs	(1,035k) over	<u>Security Costs - 50k under</u>	HRA	This underspend reflects a lower than budgeted level of security required in void properties.
		Grounds Maintenance - (358k) over	HRA	This overspend relates to grounds maintenance works which are demand led services and has been managed within the overall budget.
		Repairs and Maintenance - Internal and External Contractor - (1,815k) over	HRA	This overspend is due to repairs which are demand led services and has been managed within the overall budget.
		Rent Unlet Periods - 201k under	HRA	The underspend reflects the level of void turnover achieved.
		Rent W/o Bad Periods - 782k under	HRA	This underspend reflects a lower than anticipated level of bad debt provision due to the timing of the roll out of Universal Credit.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Property Costs (cont)		Gas - 84k under	HRA	Expenditure on gas was lower than anticipated across the Service.
Supplies & Services	76k under	<u>Computer Equipment Purchase - 46k under</u>	HRA	This underspend relates to the reducing cost of the old IT system due to the end of its lifecycle.
Administration Costs	38k under	Bulk Printing - (63k) over  Telephones - 45k under  Postages / Couriers - 67k under  Legal Expenses - (56k) over	HRA  HRA  HRA  HRA	The overspend relates to an increase in the volume of scanning required.  This reflects the early achievement of a 2018/19 saving.  This reflects the early achievement of a 2018/19 saving.  This is a demand led line and relates to the cost of pursuing rent arrears.
Payment to Other Bodies	360k under	<u>Other Committees of the Authority - 360k under</u>	HRA	The underspend reflects lower than anticipated recharges from other services across the Resource.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Financing Charges	74k under	<u>Principal/Interest/Expenses - Debt Charges - 105k under</u>	HRA	The overall level of debt charges for the year was lower than anticipated, as a result of the Council not taking any new borrowing during the year.
Income	825k over recovered	<u>Sales - Departments of the Authority - 102k over recovered</u>  <u>Fees and Charges - General - 334k over recovered</u>  <u>Rental Income - 90k over recovered</u>  House Rents - (63k) under recovered	HRA  HRA  HRA  HRA	This over recovery primarily relates to homeless funding to meet the operational costs of Lindsay House.  The over recovery relates to higher than anticipated recharges to owners and tenants for repairs, offset by additional expenditure (see Property Costs).  This reflects the current level of income from Estates managed commercial properties owned by the HRA.  The under recovery is the result of additional Council House sales prior to the removal of the Right to Buy Scheme and also lower than anticipated rental income from new build accommodation.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Income (cont)		Lock up Rents - (70k) under recovered	HRA	The under recovery is due to removal of lockup and garage sites that are no longer in use.
		<u>Insurance Recoveries - (156k) under recovered</u>	HRA	This under recovery reflects income from the settlement of insurance claims being lower than anticipated.
		<u>Other Income - 603k over recovered</u>	HRA	This relates mainly to income from council tax second homes, and has been used to augment funding to deliver new affordable housing developments.
Balance Sheet Transfer	(754k) over	<u>Year End Transfer (to)/From Balance Sheet - (754k) over</u>	HRA	This reflects an increase in the year end transfer of funds to the balance sheet for utilisation in future years, as a result of the underspend in the bad debt provision.

\* The underlined variances are the new variances since the last report

South Lanarkshire Council

Housing & Technical Resources - HRA

Expenditure / Income Variance Trends 2017/18

	REVISED ANNUAL BUDGET SLC 17/18 2	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
EMPLOYEE COSTS				
APT & C BASIC	9,592	9,415	177	under
APT & C OVERTIME	79	90	(11)	over
APT & C SUPERANNUATION	1,847	1,614	233	under
APT & C NIC	858	823	35	under
MANUAL OVERTIME	0	1	(1)	over
TRAVEL AND SUBSISTENCE	44	13	31	under
OTHER EMPLOYEE COSTS	0	58	(58)	over
PENSION INCREASES	219	215	4	under
ADDITIONAL PENSION COSTS	0	9	(9)	over
<b>EMPLOYEE COSTS</b>	<b>12,639</b>	<b>12,238</b>	<b>401</b>	<b>under</b>
PROPERTY COSTS				
RATES	126	125	1	under
SCOTTISH WATER - UNMETERED CHARGES	4	3	1	under
SCOTTISH WATER - METERED CHARGES	8	14	(6)	over
RENT	6	3	3	under
SERVICE CHARGE	65	39	26	under
OTHER ACCOMMODATION COSTS	101	82	19	under
BED AND BREAKFAST	0	1	(1)	over
PROPERTY INSURANCE	923	924	(1)	over
SECURITY COSTS	55	5	50	under
GROUND MAINTENANCE	3,923	4,281	(358)	over
REPAIRS & MAINTENANCE - INTERNAL CONTRACTOR	24,357	26,172	(1,815)	over
REPAIRS & MAINTENANCE - EXTERNAL CONTRACTOR	888	888	0	
HOUSING - RENT FREE ACCOMMODATION	155	150	5	under
HOUSING - RENT W/O UNLET PERIODS	1,960	1,759	201	under
HOUSING - RENT W/O BAD PERIODS	2,998	2,216	782	under
EPC	0	4	(4)	over
ELECTRICITY - CONTRACT	717	691	26	under
GAS	310	226	84	under
HEATING OIL	54	29	25	under
SOLID FUEL	4	1	3	under
CARBON REDUCTION COMMITMENT	0	2	(2)	over
FIXTURE & FITTINGS	58	87	(29)	over
JANITOR SERVICE	150	157	(7)	over
CLEANING CONTRACT	417	449	(32)	over
CLEANING MATERIALS	60	28	32	under
WINDOW CLEANING	16	17	(1)	over
PEST CONTROL	122	84	38	under
REFUSE UPLIFT	0	24	(24)	over
REMOVAL & STORAGE COSTS	14	40	(26)	over
OTHER PROPERTY COSTS	35	60	(25)	over
<b>PROPERTY COSTS</b>	<b>37,526</b>	<b>38,561</b>	<b>(1,035)</b>	<b>over</b>

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Expenditure / Income Variance Trends 2017/18

	REVISED ANNUAL BUDGET SLC 17/18 2	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
SUPPLIES AND SERVICES				
COMPUTER EQUIPMENT PURCHASE	297	251	46	under
COMPUTER EQUIPMENT MAINTENANCE	0	10	(10)	over
I.T. EQUIPMENT MAINT-CONTRACT	209	195	14	under
EQUIPMENT AND OTHER TOOLS	13	15	(2)	over
FURNITURE - OFFICE	10	6	4	under
FURNITURE - GENERAL	0	8	(8)	over
MATERIALS	0	4	(4)	over
FOODSTUFFS - GENERAL	6	6	0	
PROTECTIVE CLOTHING & UNIFORMS	12	14	(2)	over
LAUNDRY COSTS	16	4	12	under
OTHER SUPPLIES AND SERVICES	32	13	19	under
HEALTH AND SAFETY	15	1	14	under
CATERING - CONTRACT	0	3	(3)	over
CATERING - OUTWITH CONTRACT	0	2	(2)	over
CATERING - EXTERNAL	0	2	(2)	over
<b>SUPPLIES AND SERVICES</b>	<b>610</b>	<b>534</b>	<b>76</b>	<b>under</b>
TRANSPORT AND PLANT				
POOL CAR RECHARGE - RENTAL CHARGE	37	25	12	under
POOL CAR RECHARGE - FUEL	13	6	7	under
POOL CAR RECHARGE - ADDITIONAL CHARGES	2	1	1	under
OTHER TRANSPORT COSTS	0	3	(3)	over
FLEET SERVICE CHARGES - VEHICLE MAINTENANCE	8	23	(15)	over
FLEET SERVICE CHARGES - UNSCHEDULED LABOUR	0	1	(1)	over
FLEET SERVICE CHARGES - LEASING	90	70	20	under
FLEET SERVICE CHARGES - HIRED VEHICLES	30	5	25	under
FLEET SERVICE CHARGES - CONTRACT HIRE	6	0	6	under
FLEET SERVICE CHARGES - ROAD FUND LICENCES	0	8	(8)	over
FLEET SERVICE CHARGES - FUEL	25	21	4	under
HIRE OF EXTERNAL VEHICLES	0	3	(3)	over
HIRE OF SKIPS	0	3	(3)	over
STORAGE	4	0	4	under
TAXI CHARGES - CONTRACTED	0	3	(3)	
<b>TRANSPORT AND PLANT</b>	<b>215</b>	<b>172</b>	<b>43</b>	<b>under</b>
ADMINISTRATION				
PRINTING AND STATIONERY	86	104	(18)	over
BULK PRINTING	75	138	(63)	over
TELEPHONES	131	86	45	under
MOBILE PHONES	27	17	10	under
ADVERTISING - OF COUNCIL SERVICE AVAILABILITY	35	0	35	under
ADVERTISING - OTHER	12	1	11	under
POSTAGES/COURIERS	154	87	67	under
MEMBERSHIP FEES/SUBSCRIPTIONS	38	47	(9)	over
MEDICAL COSTS	25	35	(10)	over
LEGAL EXPENSES	86	142	(56)	over
PETTY OUTLAYS	4	5	(1)	over
GIRO BANK AGENCY FEES	9	0	9	under
PAYPOINT AGENCY FEES	61	72	(11)	over
INTERNET AGENCY FEES	6	0	6	under
OTHER ADMIN COSTS	27	6	21	under
CONFERENCES - MEMBERS	0	1	(1)	over
CONFERENCES - OFFICIALS	7	6	1	under
INTERNAL SUPPORT SERVICES ALLOCATION	5,035	5,033	2	under
<b>ADMINISTRATION</b>	<b>5,818</b>	<b>5,780</b>	<b>38</b>	<b>under</b>

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Expenditure / Income Variance Trends 2017/18

	REVISED ANNUAL BUDGET SLC 17/18 2	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
PAYMENT TO OTHER BODIES				
OTHER COMMITTEES OF THE AUTHORITY	3,493	3,133	360	under
GRANTS TO VOLUNTARY ORGANISATIONS	3	2	1	under
PAYMENTS TO VOLUNTARY ORGANISATIONS	31	22	9	under
PAYMENTS TO OTHER BODIES	32	42	(10)	over
<b>PAYMENT TO OTHER BODIES</b>	<b>3,559</b>	<b>3,199</b>	<b>360</b>	<b>under</b>
PAYMENT TO CONTRACTORS				
PAYMENT TO PRIVATE CONTRACTOR	80	93	(13)	over
PAYMENT TO EXTERNAL CONSULTANTS	20	35	(15)	over
<b>PAYMENT TO CONTRACTORS</b>	<b>100</b>	<b>128</b>	<b>(28)</b>	<b>over</b>
FINANCING CHARGES				
PRINCIPAL-DEBT CHARGES	0	5,193	(5,193)	over
INTEREST-DEBT CHARGES	14,383	8,946	5,437	under
EXPENSES-DEBT CHARGES	0	139	(139)	over
I.T. EQUIPMENT LEASING-CONTRACT	67	59	8	under
CFCR	19,932	19,932	0	
INTEREST ON REVENUE BALANCES	(67)	(45)	(22)	over
TRANSFER TO STATUTORY ACCUMULATED COMPENSATED ABSENCE	0	17	(17)	over
<b>FINANCING CHARGES</b>	<b>34,315</b>	<b>34,241</b>	<b>74</b>	<b>under</b>
<b>TOTAL EXPENDITURE</b>	<b>94,782</b>	<b>94,853</b>	<b>(71)</b>	<b>over</b>
INCOME				
SALES - DEPARTMENTS OF THE AUTHORITY	(1,201)	(1,303)	102	over rec
FEES AND CHARGES - GENERAL	(4,539)	(4,873)	334	over rec
RENTAL INCOME	(460)	(550)	90	over rec
HOUSE RENTS	(83,187)	(83,124)	(63)	under rec
LOCK UP RENTS	(2,392)	(2,322)	(70)	under rec
COMMISSION	(216)	(232)	16	over rec
INSURANCE RECOVERIES	(250)	(94)	(156)	under rec
OTHER INCOME	(2,273)	(2,876)	603	over rec
REALLOCATION OF SUPPORT COSTS	(883)	(883)	0	
TMC BALANCE TO BAL SHEET	0	31	(31)	under rec
<b>TOTAL INCOME</b>	<b>(95,401)</b>	<b>(96,226)</b>	<b>825</b>	<b>over rec</b>
<b>TOTAL YEAR END T/FER TO/FROM BALANCE SHEET</b>	<b>619</b>	<b>1,373</b>	<b>(754)</b>	<b>over</b>
<b>NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>0</b>	